

## REMARKS

This application has been reviewed in light of the Office Action dated April 17, 2006. Claims 1-27, 29-30, 32, and 36-40 are pending, of which Claims 1, 30, and 36-39 are in independent form. Claims 28, 31, and 33-35 were previously cancelled. No claim amendments are presented herein. Favorable reconsideration is requested.

The specification has been amended to correct typographical errors. Applicants respectfully submit that the changes to the specification add no new matter to the original disclosure.

The Examiner rejected Claims 1-4, 6-30, 32, and 36-39 under 35 U.S.C. § 102(e) as being anticipated by U.S. Patent No. 6,336,099 ("Barnett"). Applicants submit that independent Claims 1, 30, and 36-39, together with the claims dependent therefrom, are patentably distinct from the cited prior art for at least the following reasons.

A notable feature of Claim 1 of the present invention is that the consumer is simultaneously presented with a product and/or service to be purchased, and an incentive to motivate the consumer to immediately make such a purchase, *i.e.*, an impulse buy. In contrast, Barnett is directed to a system for the electronic distribution of coupons, which are to be printed and later applied to conventional purchases at an appropriate store location. *See* Barnett at col. 6, line 52, to col. 7, line 17 ("[t]he printed coupons 18 are used in the normal fashion by a consumer when shopping at a desired retail store 10"). Although Barnett also states, as a possible alternative method, that the coupon *may* be redeemed electronically (*see* Barnett at col. 11, lines 34-38), this method still does not allow for the offer of sale of the product and/or service to be presented concurrently with the incentive, as does the invention set forth in Claim 1. Rather, Barnett requires the consumer to download and customarily print the coupon, and then take the

coupon to another location for use, therefore not permitting the consumer to make an immediate, impulse purchase. Any break in time between the presentation of the incentive to the consumer and the actual purchase of the product and/or service, which is inherent in Barnett, goes against the method of claim 1 of the present application, namely to motivate an impulse buy. It is respectfully submitted that only improper hindsight using the teachings of the claimed invention could twist Barnett to fit within the claims of the present application.

Applicants respectfully disagree with the Examiner's statement that Fig. 1 of Barnett teaches that the consumer can immediately, via the network, redeem coupons or offers online through checkout 10. *See* April 17, 2006 Office Action at p. 5, paragraph 8. As stated in Barnett, retailer/product checkout 10 is a retail store location where "printed coupons 18 are used in the normal fashion by a consumer when shopping." *See* Barnett at col. 7, lines 12-13. Furthermore, even if the consumer chooses to redeem a coupon online with an online service provider 2 (*see* Barnett at Fig. 1) after requesting a coupon, as the Examiner suggests is possible and Barnett states as an alternative method, there is still a delay between the consumer obtaining the coupon and the coupon's redemption. Again, the delay between the presentation of the incentive to the consumer and the purchase of the product and/or service by the consumer that is inherently a step of Barnett's system is contrary to claim 1 of the present application. Barnett does not teach or suggest the concurrent presentation of an offer to purchase and a variable incentive to make such a purchase, thus providing the motivation for an impulse buy. Moreover, Barnett allows a consumer to obtain a coupon and never make a purchase with it. Clearly, by giving the consumer the option of deferring the decision to make a purchase or not to a later time, Barnett's coupon system is different from that of Claim 1.

A further distinction between Barnett and the invention of Claim 1 is that Barnett requires consumers to *request* coupon incentives that they may be interested in using at a later time, and download them for printing (*see* Barnett at col. 6, line 66, to col. 7, line 5), whereas the claimed invention *provides* the incentive, simultaneously with the product and/or service, to the consumer. Therefore, Barnett requires an initial motivation by the consumer to seek out the incentives for products they may wish to later purchase, whereas the claimed invention itself provides the motivation for the consumer to use the incentive to immediately purchase a product that the consumer may not have considered purchasing had the product been offered without the incentive.

Another important feature of Claim 1 is the registration at the host server of both the time the incentive is initially presented to the consumer and the time the consumer indicates acceptance of the offer, thus allowing for a comparison of these times to verify the correct current value of the variable incentive. For example, where the initial incentive for a particular product is 30% off the regular purchase price, and this incentive decreases by 5% every minute, the host server verifies that a consumer receiving 20% off the regular purchase price took between two and three minutes to accept the offer.<sup>1</sup> Barnett does not teach or suggest such a feature, and Applicants respectfully submit that the Examiner erroneously suggested such by stating that Barnett provides for a comparison of “the initial time and acceptance time to verify the provided current value of said incentive.” *See* April 17, 2006 Office Action at p. 3. Barnett instead allows for a coupon that has been downloaded to a consumer’s computer, but not yet printed, to be later updated or deleted when the corresponding retailer decides to modify the

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<sup>1</sup> The examples presented herein are intended for illustrative purposes only. It should be understood that the claimed invention is not limited to any details discussed in connection with the illustrative examples.

incentive. Then, when the consumer attempts to print the coupon, for example one month after the initial download, the coupon may either be unavailable or the incentive adjusted to the retailer's current promotion. *See* Barnett at col. 11, line 66, to col. 12, line 16. Neither of these potential changes is based upon a registration of the initial time the coupon was downloaded by the consumer. Unlike the claimed invention, Barnett does not provide for verification of the time of initial presentation of the incentive to the consumer, and therefore cannot allow for a comparison of initial time and acceptance time. Moreover, the downloading and/or printing of a coupon in Barnett's system is not an *acceptance* of an offer as provided by the claimed invention, which requires an actual and immediate purchase of the product and/or service offered - the impulse buy motivated by the incentive presented.

The "variable coupon" taught by Barnett is further distinguishable from the time-variable incentive provided by the claimed invention in at least the following ways.

(1) In the claimed invention, the consumer visualizes the change in the incentive for the product and/or service. In Barnett, any deletion or modification of the redemption amounts of coupons downloaded to the consumer's computer go unnoticed by the consumer until the consumer later, if at all, attempts to use the coupon (*see* Barnett at col. 4, lines 24-29; col. 11, line 66, to col. 12, line 16). That is, any change in the value of the coupon is outside of the consumer's knowledge until the consumer decides to use the coupon.

(2) In the claimed invention, the consumer sees the incentive definitively change over a relatively short period of time, which motivates the consumer to make an impulse purchase. In Barnett, the incentive may or may not change at some point in time, depending on the whim of the coupon issuer, and may even go up in value, which would

result in a disincentive to make an impulse purchase (*see* Barnett at col. 12, lines 8-16).

That is, even if Barnett allowed the consumer to see changes in the coupon value (which we do not believe Barnett teaches or suggests, as discussed above), the possibility that the coupon value could go up would keep the consumer from making an impulse purchase, in the hopes that by waiting the consumer would have a chance at a higher coupon value.

(3) In the claimed invention, the incentive is changed in a manner that is predetermined. In Barnett, the coupon values may or may not change or be deleted at an undetermined time after having been downloaded by the consumer. The invention of Barnett, which provides for the unplanned deletion or alteration of a coupon's redemption value without the consumer's knowledge, is inapposite to the teachings of the claimed invention to motivate an impulse buy by concurrently presenting an offer for a product and/or service and an incentive to purchase said product and/or service.

Accordingly, Applicants submit that Claim 1 is not anticipated by Barnett and respectfully request withdrawal of the rejection under 35 U.S.C. § 102(e). Independent Claims 30 and 36-39 include features similar to those of Claim 1 discussed above, in which there is a concurrent presentation of an offer for sale of a product and/or service and a variable incentive to motivate a consumer to make an immediate or impulse purchase. Therefore, those claims also are believed to be patentable for at least the aforementioned reasons.

The other rejected claims in this application depend from one or another of the independent claims discussed above and therefore are also submitted to be patentable for at least the same reasons. Because each dependent claim is also deemed to define an additional aspect of the invention, individual reconsideration of the patentability of each claim on its own merits is respectfully requested.

Applicants specifically wish to address the Examiner's comments concerning dependent claims 12 and 13, found on page 4 of the April 17, 2006, Office Action. Claim 12 is directed to providing to frequent consumers more favorable incentives than those offered to infrequent consumers. The Examiner stated that Barnett also teaches such a feature at col. 12, lines 48-54. Barnett, however, teaches the opposite, as illustrated in the example where "users who select, print and redeem dog food coupons . . . will get only low value coupons since they are already dog food coupon users." *See* Barnett at col. 12, lines 49-52.

Claim 13 is directed to according frequent consumers a higher maximum incentive. Again, Barnett teaches the opposite of the claimed invention, namely a consumer of one brand may be given a higher discount for another brand. *See* Barnett, col. 13, lines 30-42. Barnett does not reward repeat consumers of the same brand, as does the invention of Claim 13.

In view of the foregoing remarks, Applicants respectfully request favorable reconsideration and early passage to issue of the present application. Should the Examiner believe that issues remain outstanding, it is respectfully requested that the Examiner contact Applicants' undersigned attorney in an effort to resolve such issues and advance the case.

This Amendment After Final Action is believed clearly to place the present application in condition for allowance. Therefore, entry of this Amendment under 37 C.F.R. § 1.116 is believed proper and is respectfully requested, as an earnest effort to advance prosecution and reduce the number of issues. Should the examiner believe that issues remain outstanding, it is respectfully requested that the Examiner contact Applicants' undersigned attorney in an effort to resolve such issues and advance the case to issue.

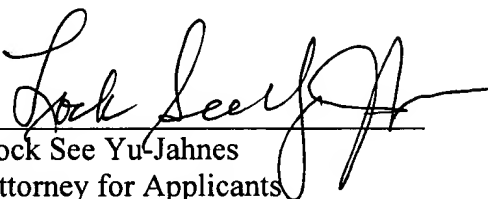
No petition to extend the time for response to the Office Action is deemed necessary for this Amendment. If, however, such a petition is required to make this Amendment

timely filed, then this paper should be considered such a petition and the Commissioner is authorized to charge the requisite petition fee to Deposit Account 06-1205.

CONCLUSION

Applicants' undersigned attorney may be reached in our New York Office by telephone at (212) 218-2100. All correspondence should continue to be directed to our address listed below.

Respectfully submitted,

  
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